VZCZCXRO7328 PP RUEHCHI RUEHFK RUEHHM RUEHKSO RUEHNAG RUEHPB DE RUEHKO #0476/01 0620107 ZNR UUUUU ZZH P 030107Z MAR 09 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC PRIORITY 1170 INFO RUEHZU/ASIAN PACIFIC ECONOMIC COOPERATION PRIORITY RUEHRL/AMEMBASSY BERLIN PRIORITY 1600 RUEHLO/AMEMBASSY LONDON PRIORITY 2353 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 8665 RUEHFR/AMEMBASSY PARIS PRIORITY 6437 RUEHRO/AMEMBASSY ROME PRIORITY 2243 RUEHFK/AMCONSUL FUKUOKA PRIORITY 2709 RUEHNAG/AMCONSUL NAGOYA PRIORITY 0510 RUEHNH/AMCONSUL NAHA PRIORITY 5057 RUEHOK/AMCONSUL OSAKA KOBE PRIORITY 6499 RUEHKSO/AMCONSUL SAPPORO PRIORITY 3260 RHDIFCC/FCC WASHINGTON DC PRIORITY RUCPDOC/DEPT OF COMMERCE WASHINGTON DC PRIORITY RUEHBS/USEU BRUSSELS PRIORITY

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SUBJECT: U.S. BUSINESS RECOMMENDS INFO-TECH STIMULUS

MEASURES TO JAPANESE GOVERNMENT

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- 11. The American Chamber of Commerce (ACCJ) recently recommended several near-term information technology (IT) measures the Japanese government might adopt to stimulate the economy. Suggested measures cover areas such as supporting SMEs and facilitating online commerce, improving utilization in fields such as healthcare, education, e-government, and energy, and improving IT procurement and deployment. The ACCJ delivered its recommendations February 20 as part of a public comment process to the IT Policy Office and in response to a request for US business input from senior Japanese officials.
- 12. The "ACCJ Recommendations for Short Term IT Investment and Deployment" elaborate on a fairly narrow list of short-term steps and seek to contribute to ongoing discussions about stimulating Japan's economy. The recommendations also draw from a more comprehensive study of Japan's Internet Economy the ACCJ plans to release in late spring. Some of these topics had been raised in annual strategic plans by Japan's IT Strategy Headquarters.
- 13. The following is a short summary of ACCJ recommendations, the elaborated submission will be available via the Japan Economic Scope

  (http://www.intelink.gov/gommunities/state/io.s/)

  The ACCI's

(http://www.intelink.gov/communities/state/je s/). The ACCJ's recommendations reflect a view Japan lags considerably in Internet utilization and that establishing infrastructure alone is not enough to realize the potential of the Internet economy.

ACCJ Recommendations

1A. Increasing Aid to Small and Medium Enterprises:

Recommendation: Organize conferences throughout Japan and invite Japanese and foreign companies offering products and services facilitating online commerce to lead workshops to assist SMEs in marketing their products and services globally.

Recommendation: Target government subsidies to promote SME new business activities such as mobile virtual network operators.

## ¶B. Promoting Online Commerce:

Recommendation: Temporarily suspend, during the economic crisis, consumption tax for purchases of goods or services online.

Recommendation: Reject the proposal to prohibit sales of "over the counter" drugs online.

## ¶C. Updating Healthcare:

Recommendation: Offer full reimbursement of associated costs for introduction of standardized electronic health records for hospitals of 400 beds or less.

Recommendation: Revise fee schedules and subsidize equipment acquisition to promote diagnosis and treatment of diseases.

## ¶D. Equipping the Classroom:

Recommendation: Replace computers that are more than seven years old in elementary and middle school classrooms with new broadband-capable notebook computers.

Recommendation: Install a wireless network in elementary and middle schools throughout Japan.

#### 1E. Utilizing E-Government:

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Recommendation: Introduce available "Open ID" technology across government websites to facilitate citizen access and greater interoperability.

# ¶F. Promoting Green IT:

Recommendation: Adopt incentives for investment in more efficient energy transmission and distribution grids.

Recommendation: Expand incentives to households to install solar energy panels.

## ¶G. Assuring Efficiency in IT Procurement and Deployment:

Recommendation: Support continuing efforts to implement phased procurement as required in the 2007 Ministry of Internal Affairs and Communications Guidelines.

Recommendation: Establish a professional certification process for chief information officers (CIO). ZUMWALT